



**THE ATTORNEY GENERAL  
OF TEXAS**

**JIM MATTOX  
ATTORNEY GENERAL**

October 19, 1988

Honorable Tom O'Connell  
District Attorney  
Collin County  
210 S. McDonald Street  
McKinney, Texas 75069

LO-88-120

Dear Mr. O'Connell:

You ask the following question:

Does the processing and printing of tax statements and tax rolls constitute a 'high technology item' that may be purchased by a county through the competitive proposal process when it requires the vendor to develop a custom computer program to complete the process?

The County Purchasing Act contains the following provision:

Before a county may purchase one or more items under a contract that will require an expenditure exceeding \$5,000, the commissioners court of the county must comply with the competitive bidding or competitive proposal procedures prescribed by this subchapter. All bids or proposals must be sealed.

Local Gov't Code § 262.023. Section 262.030(a) provides that the competitive proposal procedure may be used for the purchase of "high technology items." See generally Local Gov't Code § 262.030 (describing competitive proposal procedure). Section 262.022(3) defines "high technology item":

'High technology item' means a service, equipment, or good, of a highly technical nature, including:

(A) data processing equipment and software and firmware used in conjunction with data processing equipment;

(B) telecommunications, radio, and microwave systems;

(C) electronic distributed control systems, including building energy management systems; and

(D) technical services related to those items.

You provide the following background information about a contract Collin County has entered into for the purchase and installation of a customized tax collection and billing software program and the processing and printing of tax statements and tax rolls:

The contract provided for the County to pay a certain amount for the software purchased and to pay an additional amount per statement or per page for the additional service of providing the County with the tax statements and tax rolls. The processing and printing of the tax statements and tax rolls was included in the request for proposal and in the contract because each of these items contains in excess of 100,000 accounts and the County does not have the facilities to process and print them. Additionally, the County elected to include tax statement and tax roll processing and printing in the request for proposal and contract because it wanted to assure itself that someone would be available that was familiar with the custom software program purchased and would be available to process the data generated by the newly installed software into hard copy tax statements and tax rolls.

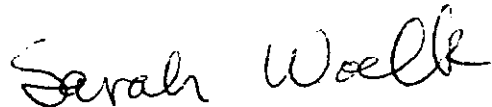
. . . . .

The processing and printing of the tax statements and tax rolls is a highly technical service that requires computer programming and data processing. The end product of the County's custom software program is two magnetic computer tapes; one

containing data for the tax statements and the other data for the tax rolls. Processing of the data generated by the County's custom hardware into hard copies cannot be done by simply flipping a switch or inserting a disk in a computer. This is not a case where the County is operating a canned computer program where anyone can take the County's data tapes and immediately produce the tax statements and tax rolls. Rather, the vendor must have compatible hardware and must prepare programs specific to this job, to enable its computer to read the data generated by the County's custom software and to process it into a printed form.

The question of whether a specific service is a high technology item is a question of fact. This office cannot make fact determinations. It is the responsibility of the commissioners court to determine in the first instance whether a particular service is of a highly technical nature or whether it is a technical service related to a high technology item.

Very truly yours,

A handwritten signature in cursive script that reads "Sarah Woelk".

Sarah Woelk, Chief  
Letter Opinion Section  
Opinion Committee

SW/bc

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